

water system funders in North Carolina are moving in these directions. But North Carolina systems still rely disproportionately on grants.

G.S. § 159G-23 sets out eight important criteria that funders of clean water grants and loans should consider before approving funds. An improved Local Water Supply Plan (LWSP) could become the basis upon which local governments demonstrate public necessity, efficiency, sound management, capital improvement planning, and other criteria to funders. This would provide an incentive to local governments to develop, adopt, and implement the LWSP. The water Funders Forum, including the Division of Environmental Health, Division of Water Quality, Clean Water Management Trust Fund, Rural Economic Development Center, and USDA Rural Development, has begun discussing how to implement changes to G.S. 159G-23(3) on efficiency, enacted by the 2008 General Assembly in S.L. 2008-143 (HB 2499), Improve Drought Preparedness and Response. The results of this Funders Forum have been shared with the State Water Infrastructure Commission (SWIC)

Local water supply planning

North Carolina's water supply planning initiative originally developed as a response to a severe drought that occurred in 1988. The first Local Water Supply Plans (LWSPs) were submitted to the state's Division of Water Resources (DWR) in 1989 and primarily included data regarding municipal water demand. Every subsequent drought has generated new questions for the LWSP surveys and additional legislative initiatives to build on the program first implemented nearly twenty years ago. Each round of the local plan updates has

expanded the information collected from the water systems.

Beginning in 1992, and as amended in 2003, G.S. § 143-355(l) required Local Water Supply Plans for all municipal water systems and all community water systems serving more than 3,000 people or 1,000 connections; the statute also requires that plans be updated every five years, which to date has included 1992, 1997, 2002, and 2006–2007.

North Carolina's State Water Supply Plan, dated January 2001, is based on LWSPs developed during 1998 and 1999, which reflect the water system data reported by over 500 local government water systems for 1997. This plan serves as a reference point for statewide water supply needs, water use, and supply issues across the state. The Division of Water Resources has recently adopted a new river basin-oriented planning strategy to correspond with the Division of Water Quality's river basin planning and to further foster long-term sustainable water resources management.

Overview of Local Water Supply Plan Submittal, Review, and Tracking Process

The Division of Water Resources begins each round of LWSP submittals by working with the Public Water Supply Section (of the Division of Environmental Health) to verify the current list of systems meeting the submission criteria. In coordination with the NC Rural Water Association, DWR notifies systems early in the year about their required submittal the following July and provides a series of workshops around the state for technical support in developing local plans. The workshops provide a comprehensive overview of the planning process and provide a step-by-step guide to developing the information needed to submit the plans online. In addition,